

POSTAL REGULATORY COMMISSION
901 New York Avenue, NW
Suite 200
Washington, D.C. 20268-0001

FORM 8-K

CURRENT REPORT
Pursuant To Section 13 or 15(d) of
The Securities Exchange Act of 1934
and Section 3654 of
The Postal Accountability and Enhancement Act of 2006

Date of Report (Date of earliest event reported): May 18, 2012

United States Postal Service

(Exact name of registrant as specified in its charter)

n/a
(State or other jurisdiction of incorporation
or organization)

n/a
(Commission File Number)

41-0760000
(I.R.S. Employer Identification No.)

475 L'Enfant Plaza, SW
Washington, D.C.
(Address of principal executive offices)

20260
(Zip Code)

202-268-2000
(Registrant's telephone number, including area code)

n/a
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.05. Costs Associated with Exit or Disposal Activities.

On May 18, 2012, the Postal Service submitted a final rule (the “Final Rule”) to the *Federal Register* revising the Postal Service’s service standards for several classes of mail, as part of its plan to move ahead with a phased plan to consolidate its network of 461 mail processing locations. The plan to consolidate mail processing locations is part of an ongoing effort to reduce costs and improve efficiencies in the face of declining mail volumes.

The Final Rule announces two phases for implementation of the service standard changes, with the initial phase shrinking the geographic reach of overnight service to local areas beginning on July 1, 2012 and enabling plant consolidation activity commencing in the Summer of 2012. Phase one includes up to 140 plant consolidations to be completed between Summer 2012 and February 2013. Consolidation activities will occur in 48 facilities during the summer of 2012, but most consolidation activity will be suspended from September through December of 2012. Consolidation activity under the first phase of the implementation plan will resume in January 2013, and will be completed by the end of February 2013.

The second phase of the service standard changes announced in the Final Rule, which will be implemented on February 1, 2014 unless the circumstances of the Postal Service change, would further limit the overnight delivery standard and would enable consolidation activities for an additional 89 mail processing locations in 2014.

The Postal Service expects that its network consolidations will result in significant annual cost savings and will lead to workforce reductions of up to 28,000 employees.

The Postal Service expects that the network consolidations will result in various costs, including costs associated with workforce reduction, lease termination and contract modification. As of the date of this release, many of these costs are uncertain, depending, among other things, upon the number of employees who accept incentives to retire or resign and the results of various negotiations. The Postal Service is continuing to evaluate the potential range of these costs and their impact on the financial statements.

Signatures

Pursuant to the requirements of the Postal Accountability and Enhancement Act of 2006, the Postal Service has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

United States Postal Service
(Registrant)

By: Mary Anne Gibbons
(Signature)

Mary Anne Gibbons
General Counsel and
Executive Vice President

Date: May 25, 2012